

NEWS CLIPPING

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SUMMARY/TRANSLATION:

More Investment in India: Lanxess Planning Target for 80% of Profit

Lanxess plans to open water purification plant and radial tyre production in India. Lanxess CEO Mr. Heitmann said "In the next five years, the company plans to increase its goal of 80% profit".

Journalists from several countries including India, China, Singapore and Malaysia were briefed on the operations the Dusseldorf-based LANXESS. At this international press conference, Mr Heitmann said :

"we have formulated a plan to increase our profit targets by 80% by 2015. To achieve this objective, several measures are being put in place. This will include shutting down unviable operations and acquire newer operations to achieve the established objective. Plans are afoot to acquire small and medium enterprises , operations or companies not only in Germany but in other countries such as Brazil and in the Asian countries. Through these initiatives, by 2015, the company will achieve a profit of Euros 140 crores (1400 mn) and sales revenues of Euros 700 crores (7000 mn).

Rubber Plant :

We propose to establish a high volume rubber plant either in China or India and a decision is likely in this regard over the next 6 months. Yearly production capacity of this plant will range from 100,00 tonnes to 150,000 tonnes at an investment of Euros 20 crores (200 mn). The Petroflex operations in Brazil acquired by us in 2008 has gone on to achieve stupendous results. And the chemicals plants in Gwalior, MP India as also Jiyanghzapaliol plant in China, both acquired, have gone on to do very well as well. The plant in UXI will go on to achieve 60,000 tonnes by year 2011.

Drinking Water Purification:

Plans are afoot to manufacture new equipment using new membrane technology for water purification. The plant coming up at Jhakadia in Gujarat will be ready to function from this year end. Apart from this, plans are on to launch waste water purification equipment as well. Lanxess will also launch shortly new initiatives to increase productivity in agriculture as also enhanced grain protection. Our group associate SALTICO is already involved in agro-chemical crop protection.

A state-of-the-art butyle rubber plant is under construction at Jurong Island in Singapore. This plant will commence production in year 2013. The caprolactum plant in Antwerp, Belgium is also undergoing expansion. A leading global major, LANXESS employs over 14,500 in 42 plants worldwide.

